



GAIL FARBER, Director

COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331


<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

32 August 11, 2015


PATRICK OGAWA
ACTING EXECUTIVE OFFICER

August 11, 2015

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVE THE EXCHANGE OF FEDERAL FUNDS FOR NON-FEDERAL FUNDS THROUGH
THE FEDERAL APPORTIONMENT EXCHANGE PROGRAM AND STATE MATCH PROGRAM
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

This action is to approve the exchange of a portion of the County's current Federal funds with the State of California for non-Federal funds from the State Highway Account in the amount of \$950,813 and for the State to pay the County \$100,000 in State matching funds for Fiscal Year 2014-15.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the action set forth in this Board letter is not a project pursuant to the California Environmental Quality Act Guidelines.
2. Approve and instruct the Mayor of the Board to sign an agreement and amendment between the County and the State of California that assigns the County apportionment of Federal funds in the amount of \$950,813 to the State in exchange for an equal amount of non-Federal State Highway Account funds and allocate to the County \$100,000 in State matching funds from the State Highway Account for Fiscal Year 2014-15 for a total payment of \$1,050,813 to the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to approve the enclosed agreement to execute the exchange of funds and to receive the annual allocation of State matching funds. The use of Federal funds by the County for highway projects requires conformance with certain detailed documentation processes. By accepting non-Federal State Highway Account funds in exchange for Federal funds

from the State, the County is relieved of these Federal documentation requirements. Subsequent to the preparation of the agreement, the State issued an amendment to remove the Federal audit requirement.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness/Fiscal Sustainability (Goal 1). This action will provide the County with less restrictive funds to improve its roads for the benefit of the motoring public.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

After execution of the agreement and amendment, Public Works will prepare and submit an invoice to the State in the amount of \$1,050,813. Once received, these funds will be utilized for projects in the Road Fund Fiscal Year 2015-16 Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The agreement and amendment have been reviewed and approved as to form by County Counsel.

Under the Federal Moving Ahead for Progress in the 21st Century Act, the California Department of Transportation allocates the Regional Surface Transportation Program funds to metropolitan planning organizations or regional transportation planning agencies that in turn apportion these funds to counties based on specified formulas.

In accordance with Section 182.6(h)(2) of the Streets and Highways Code, the County may exchange a portion of its Regional Surface Transportation Program funds for non Federal State Highway Account funds. Additionally, Section 182.9 of the Streets and Highways Code requires that the State allocate to each county an amount not to exceed \$100,000 each fiscal year from non-Federal funds in the State Highway Account as match for the Federal funds allocated to each county pursuant to Section 182.6. The agreement provides for the exchange of \$950,813 of the County's apportionment of Regional Surface Transportation Program funds and claims \$100,000 in State matching funds for Fiscal Year 2014-15 for a total of \$1,050,813 in non-Federal State Highway Account funds.

ENVIRONMENTAL DOCUMENTATION

In accordance with Section 15378(b)(4) of the California Environmental Quality Act Guidelines, the proposed action does not constitute a project and, therefore, is not subject to the requirements of the California Environmental Quality Act. The approval of the agreement is a fiscal activity that does not involve any commitment to any specific project that may result in a potentially significant impact on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The funds covered under this agreement will be used on future transportation improvement projects in the County.

CONCLUSION

Please return one adopted copy of this letter and two originals of the agreement and amendment to the Department of Public Works, Programs Development Division. After the agreement and amendment have been executed by the California Department of Transportation, Public Works will return a fully executed agreement and amendment to the Executive Office.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Farber".

GAIL FARBER

Director

GF:JTW:pr

Enclosures

c: Chief Executive Office (Rochelle Goff)
County Counsel
Executive Office

FEDERAL APPORTIONMENT EXCHANGE PROGRAM AND STATE MATCH PROGRAM
CALIFORNIA DEPARTMENT OF TRANSPORTATION - MPO COUNTY

07 LOS ANGELES
District County

Agreement No. X15-5953(713)
AMS Adv ID:0715000254

THIS AGREEMENT is made on _____, by the COUNTY of LOS ANGELES, a political subdivision of the State of California (COUNTY), and the State of California, acting by and through the Department of Transportation (STATE).

WHEREAS, COUNTY desires to assign apportionments made available to COUNTY for allocation to transportation projects under the "Moving Ahead for Progress in the 21st Century Act" (MAP-21), as modified in accordance with Section 182.6 of the Streets and Highways Code [Regional Surface Transportation Program (RSTP) funds] in exchange for nonfederal State Highway Account funds, and

WHEREAS Section 182.9 of the Streets and Highways Code requires the allocation of State Matching funds from the State Highway Account to COUNTY:

NOW, THEREFORE, the parties agree as follows:

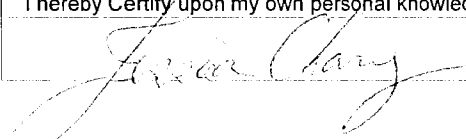
I. FEDERAL APPORTIONMENT EXCHANGE PROGRAM

A. As authorized by Section 182.6(h)(2) of the Streets and Highways Code, COUNTY agrees to assign to STATE:

\$950,813.00 from the eligible portion of its estimated annual minimum RSTP Apportionment for Fiscal Year 2014/2015.

The eligible portion of said minimum apportionment is the COUNTY's estimated annual minimum RSTP apportionment established under Section 182.6(d)(2) of the Streets and Highways Code in excess of 3 1/2 percent of the statewide minimum apportionment established under Section 182.6(d)(2) less any federal apportionments already obligated for projects chargeable to COUNTY's eligible portion of its estimated annual minimum RSTP apportionment.

For Caltrans Use Only

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance		
	Accounting Officer	Date 4/14/15 \$ 950,813.00

B. COUNTY agrees that it will not undertake any capacity-expanding project funded herein located in an air quality nonattainment area without prior inclusion of said project by its RTPA in the "build" alternative of the air quality conformance analysis and the RTPA's subsequent concurrence in the project's implementation.

II. STATE MATCH PROGRAM - Section 182.9

A. As authorized by Section 182.9 of the Streets and Highways Code, STATE agrees to pay to COUNTY \$100,000.00 from the unobligated balance of COUNTY's State Matching funds for Fiscal Year 2014/2015.

B. COUNTY agrees that before COUNTY uses State Matching funds for any other lawful purpose, COUNTY shall use such funds to match federally funded transportation projects.

III. COMMON PROVISIONS

A. Subject to the availability of State funds by the State Budget Act, and upon receipt of COUNTY invoice evidencing COUNTY's assignment of COUNTY's estimated apportionment under Section I.A to STATE, STATE agrees to pay to COUNTY an amount not to exceed \$1,050,813.00 that equals the sum of the estimated apportionment amounts identified in Sections I.A and the State Match funds identified in Section II.A.

B. COUNTY agrees to use all State funds paid hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution.

C. COUNTY agrees to establish a special account within their County Road Fund for the purpose of depositing all payments received from STATE pursuant to this agreement.

D. COST PRINCIPLES

1. The COUNTY agrees to comply with, and require all project sponsors to comply with, Office of Management and Budget Supercircular 2 CFR Part 200, Cost Principles for STATE and LOCAL government, Uniform Administrative Requirements for Grants and Cooperative Agreements to STATE and LOCAL governments.

2. COUNTY will assure that its fund recipients will be obligated to agree that (a) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, part 31, et seq., shall be used to determine the allowability of individual project cost items and (b) Those parties shall comply with Federal Administrative Procedures in accordance with 2 CFR Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to STATE and LOCAL governments. Every sub-recipient receiving funds as a contractor or sub-contractor under this agreement shall comply with federal administrative procedures in accordance with 2 CFR Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to STATE and LOCAL governments.

3. Any fund expenditures for costs for which COUNTY has received payment or credit that are determined by subsequent audit to be unallowable under Office of Management and Budget

Supercircular, 2 CFR Part 200, are subject to repayment by COUNTY to STATE. Should COUNTY fail to reimburse funds due STATE within 30 days or demand, or within such other period as may be agreed in writing between the parties hereto, STATE is authorized to intercept and withhold future payments due COUNTY from STATE of any third-party source, including, but not limited to, the State Treasurer, the State Controller and the CTC.

E. THIRD PARTY CONTRACTING

1) COUNTY shall not award a construction contract over \$10,000 or other contracts over \$25,000 [excluding professional service contracts of the type which are required to be procured in accordance with Government Code Sections 4525 (d), (e) and (f)] on the basis of a noncompetitive negotiation for work to be performed using funds without the prior written approval of STATE.

2) Any subcontract or agreement entered into by COUNTY as a result of disbursing funds received pursuant to this Agreement shall contain all of the fiscal provisions of this Agreement; and shall mandate that travel and per diem reimbursements and third-party contract reimbursements to subcontractors will be allowable as project costs only after those costs are incurred and paid for by the subcontractors.

3) In addition to the above, the preaward requirements of third party contractor/consultants with COUNTY should be consistent with Local Program Procedures as published by STATE.

F. ACCOUNTING SYSTEM

COUNTY, its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate fund expenditures by line item. The accounting system of COUNTY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices.

G. RIGHT TO AUDIT

For the purpose of determining compliance with this Agreement and other matters connected with the performance of COUNTY'S contracts with third parties, COUNTY, COUNTY's contractors and subcontractors and STATE shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times for three years from the date of final payment of funds to COUNTY. STATE, the California State Auditor, or any duly authorized representative of STATE or the United States Department of Transportation, shall each have access to any books, records, and documents that are pertinent for audits, examinations, excerpts, and transactions, and COUNTY shall furnish copies thereof if requested.

H. TRAVEL AND SUBSISTENCE

Payments to only COUNTY for travel and subsistence expenses of COUNTY forces and its subcontractors claimed for reimbursement or applied as local match credit shall not exceed rates authorized to be paid exempt non-represented State employees under current State Department

of Personnel Administration (DPA) rules. If the rates invoiced are in excess of those authorized DPA rates, then COUNTY is responsible for the cost difference and any overpayments shall be reimbursed to STATE on demand.

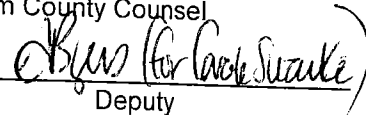
STATE OF CALIFORNIA
Department Of Transportation

COUNTY OF LOS ANGELES

Office of Project Implementation
Division of Local Assistance
Date:

Mayor, Board of Supervisors
Date:

APPROVED AS TO FORM:
MARY WICKHAM
Interim County Counsel

By: 
Deputy

SPECIAL COVENANT OR REMARKS

AMENDMENT to:
OPTIONAL REGIONAL SURFACE TRANSPORTATION PROGRAM
RSTP Federal Exchange and State Match Program Agreement for:

Los Angeles County
Agreement No. X15-5953(713)
AMS Adv Id: 0715000254

It is mutually agreed that for this Agreement, the clause which states:

ARTICLE III-SECTION D

"1. The COUNTY agrees to comply with, and require all project sponsors to comply with, Office Management and Budget Supercircular 2 CFR Part 200, Cost Principles for STATE and LOCAL government, Uniform Administrative Requirements for Grants and Cooperative Agreements to STATE and LOCAL governments."

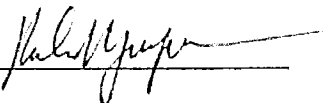
IS AMENDED TO READ:

"1. The COUNTY agrees to comply with, and require all project sponsors to comply with, Office of Management and Budget Supercircular 2 CFR Part 200, Cost Principles for STATE and LOCAL government, Uniform Administrative Requirements for Grants and Cooperative Agreements to STATE and LOCAL governments. Subpart F, "Audit Requirement" under Supercircular 2 CFR 200 does not apply to this agreement"

STATE OF CALIFORNIA

Los Angeles County

Department of Transportation

By: 

Office of Project Implementation, South
Division of Local Assistance

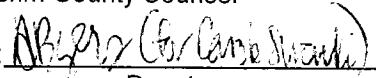
Date: 5/8/2015

By: _____

Title: _____

Date: _____

APPROVED AS TO FORM:
MARY WICKHAM
Interim County Counsel

By: 
Deputy